STATUS CONFERENCE

BEFORE THE

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the:)	
)	
Application for Certification)	Docket No.
for the Hidden Hills Solar)	11-AFC-02
Electric Generating System)	
)	

CALIFORNIA ENERGY COMMISSION

HEARING ROOM A

1516 NINTH STREET

SACRAMENTO, CALIFORNIA

MONDAY, JUNE 4, 2012 1:00 p.m.

Reported by:
John Cota
Contract No. 170-09-002

COMMITTEE MEMBERS PRESENT

Karen Douglas, Presiding Member

Carla Peterman, Associate Member

HEARING OFFICER, ADVISORS PRESENT

Kenneth Celli, Hearing Officer

Jim Bartridge, Advisor to Commissioner Peterman

Galen Lemei, Advisor to Commissioner Douglas

Eileen Allen, Commissioners' Technical Adviser

CEC STAFF PRESENT

Richard Ratliff, Staff Counsel
Kerry Willis, Staff Counsel
Mike Monasmith, Project Manager

OFFICE OF THE PUBLIC ADVISER

Jennifer Jennings, Public Adviser

APPLICANT

Jeff Harris, Attorney Ellison, Schneider and Harris, LLP

Clay Jensen BrightSource Energy

Susan Strachan Strachan Consulting, LLC

INTERVENORS

Ileene Anderson (via WebEx)
Center for Biological Diversity

Jack Prichett (via WebEx)
Old Spanish Trail Association

Cindy MacDonald (via WebEx)

ALSO PRESENT

Dana Crom
Joshua Hart (via WebEx)
County of Inyo

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PROCEEDINGS

1:09 p.m.

PRESIDING MEMBER DOUGLAS: Good afternoon and welcome everybody to the status conference for the Hidden Hills Solar Energy Generating Systems Project. I am the Presiding Member in this case and we are joined by Commissioner Peterman who is next to the Hearing Officer. Hearing Officer Ken Celli is on my left, Commissioner Peterman to his left, and Jim Bartridge, Commissioner Peterman's advisor is to her left. My advisor, Galen Lemei, should be joining us shortly.

I wanted to see quickly, are there any -- well, let me ask the parties to introduce themselves starting with the applicant.

MR. HARRIS: Good morning, this is Jeff Harris on behalf of the applicant.

MR. JENSEN: Clay Jensen on behalf of BrightSource

18 Energy.

MS. STRACHAN: Susan Strachan, permitting consultant for BrightSource Energy.

PRESIDING MEMBER DOUGLAS: Thank you. And staff?

MR. RATLIFF: Dick Ratliff, staff counsel. With

me is Mike Monasmith and Kerry Willis, who is also staff

counsel.

PRESIDING MEMBER DOUGLAS: Thank you. And then

from the intervenors. For the intervenors, Jon Zellhoefer, 1 2 are you on the line? 3 (No response.) 4 PRESIDING MEMBER DOUGLAS: Old Spanish Trail, Jack 5 Prichett? 6 MR. PRICHETT: Yes, I am on the line. 7 PRESIDING MEMBER DOUGLAS: Great. And I think we 8 verified that Ileene Anderson is on the line? 9 MS. ANDERSON: Yes, that's correct. PRESIDING MEMBER DOUGLAS: Great, thank you. 10 11 MS. ANDERSON: Good afternoon. 12 PRESIDING MEMBER DOUGLAS: Thank you. Good 13 afternoon to you. Are there any representatives of public 14 agencies on the phone or in the room today? 15 (No response.) 16 MS. CROM: Dana Crom, Deputy County Counsel, Inyo County. And Joshua Hart, Planning Director for Inyo County 17 18 is on the phone. 19 PRESIDING MEMBER DOUGLAS: Thank you. 20 intervenor Cindy MacDonald, are you participating today? 21 (No response.) 22 PRESIDING MEMBER DOUGLAS: It doesn't sound like 23 Okay. The Public Adviser is in the room, Jennifer 24 Jennings, and we will -- I guess maybe when she gets on the 25 phone, the intervenor, can identify herself. Or we can

occasionally give her a chance to note that she is here.

Anyway, with that I will turn this over to the Hearing Officer.

HEARING OFFICER CELLI: Thank you, Commissioner Douglas, and good afternoon, Commissioner Peterman. Kenneth Celli on behalf of the Committee. Today's status conference on the proposed Hidden Hills Solar Energy Generation Systems was scheduled in a notice dated April 18th, 2012.

The purpose of today's conference is to hear from the parties regarding the status of the Hidden Hills Solar Energy Generating System, or HHSEGS as we call it. We are going to ask about the status of the Application for Certification, which we refer to as an AFC and to help resolve any procedural issues as well as to assess the scheduling of future events in this proceeding.

We will first provide the applicant an opportunity to summarize their view of the status of the case and scheduling, followed by staff, followed by Intervenor Zellhoefer if he calls in. Actually today we are going to go a little bit out of order at the request of Mr. Prichett so we will handle the cultural first and see if he has any questions or comments and then we will -- so he can leave early. And then we'll hear from Intervenor Zellhoefer, the Center for Biological Diversity, which is Ileene Anderson today, and if Cindy MacDonald calls in then we'll hear from

Cindy MacDonald. And then after we go around and hear from all of the parties on the status of the case we will open up the podium and the phones for general public comment.

The Committee acknowledges that staff published the PSA on 5/24/12, that's May 24th, which was a week earlier than their projected June 1st, 2012 publication date. So I want to thank Mr. Monasmith and the staff for getting the PSA out on time, we greatly appreciate that. The PSA was complete except for the cultural section, which is due out on June 15th.

And the Committee will want to know whether the FSA is on track for August 1st, 2012 and we will hear from staff about that in a moment.

We received status reports from the applicant and staff and Cindy MacDonald. The applicant's report indicates a resolution of a number of cultural issues pending comments from staff.

Staff reported that the issues regarding development along Tecopa Road were resolved, but Cindy MacDonald disagreed with that in her status report. Staff also indicated that the parties were unable to achieve complete resolution of Inyo County's concerns so we are grateful to have Dana Crom here today and we'll hear about that. The Committee is very interested in hearing more about all these issues.

And we also received the PSA and the Committee would like to hear from staff whether the unmitigable impacts so far which were declared in Traffic, Land Use and Visual, may change subject to further negotiation as well as the status of unresolved matters in Biology, Socioeconomics, Worker Safety, Fire Protection and TSE, Transmission Systems Engineering. So with that we will hand it over first to Mr. Harris for the applicant.

MR. HARRIS: Thank you, good morning. Appreciate the opportunity to be here. I love these status conferences; you can see my prior comments on that. It's a great opportunity to see you folks. Appreciate the chance to be before the Committee.

We can address individual questions about issues.

I thought I'd just kind of give you a quick update on where
we are in our review of the Preliminary Staff Assessment,
which is out.

So not surprisingly, we are currently reviewing the PSA. The one thing I can say for certain is that it is long. It's 1159 pages long. I guess I do have to comment that the length of some of the conditions, to me, is surprising, having done this for about 20 years. I think the Bio conditions alone run 49 pages single spaced. It used to be unusual to see conditions that were even a page long and I think what we have seen now is sort of a massive

reversal of that trend. And that's something that looks to be of concern to us. Very prescriptive, lots of detail. We are going to want to talk to staff about some of those conditions for sure.

I said it's 1159 pages, but it's still growing, as you know. The cultural section is still outstanding. We are actually still waiting to hear back from the cultural staff regarding the results of the response to Data Requests 127 and 128, and specifically the concurrence of the staff about one of the sites, whether it's culturally significant.

That's a really critical piece of staff feedback we need because that will determine whether the switchyard and the gas line return to the common area or whether they would go to the new area in Nevada. We are really agnostic, and if anything, probably have a slight preference for that to be back in the common area. But be that as it may, we still need the staff's feedback on that. So in addition to the document outstanding we still need some substantial feedback on that issue.

I do want to note the result here is that we have a bifurcated PSA. The lagging item in this case hopefully didn't drive the entire schedule but it certainly had some effect on the schedule for sure. We had sort of very sheepishly, and that's probably reflected in the transcript, suggested the possibility of bifurcation but didn't push

hard on that because we know that that was not the Committee's preference and we appreciate that.

But that's where we did end up. We ended up with a bifurcated PSA and I'm glad to report that the world did not end. I'll give Mr. Ratliff a chance later to rebut that and maybe suggest that the bifurcated PSA resulted in the solar eclipse we had two weeks ago. But other than that the world seemed to go forward with the bifurcated PSA. I think that's an important data point for the Committee for future consideration.

Some of the sections are reportedly in good shape, and I use "reportedly" decidedly there. I have not read all of the sections, as you might imagine at this point but several of our folks have. It might even be the majority of them are in good shape. And by that I don't mean we accept them, the analysis or the conditions, but I think they are in relatively good shape and won't take a lot of time to go through. And one member of our team in particular has given us a very good report on a lot of the sections that you would expect to be sort of non-contro -- but that review is ongoing as well.

Other sections of the PSA are going to require extensive dialogue with staff and the other parties. We're looking forward to that dialogue. We're hopeful that we can reach understanding on some of these issues but there is a

long way to go on several of the sections.

I think I'll stop with the PSA at that and just make ourselves available to answer any questions you might have.

HEARING OFFICER CELLI: Thank you. Staff, the first question is how are we doing on the June 15th date and how are we doing on the August 1st date as well? Go ahead, Mr. Ratliff.

MR. RATLIFF: Dick Ratliff, staff counsel. I am told that we are going to meet the June 15 date for the Cultural Resources section and I have no new information about the August 1st date. I think it's a very, a very aggressive date to try to meet given the kinds, the nature of the issues in this case. But that is still the date that we will try to put out that document.

HEARING OFFICER CELLI: Thank you. Any further comment from the staff at all regarding the PSA? Any further information the Committee needs?

MR. MONASMITH: Just to -- Mike Monasmith, Project Manager. Just to let you know that as far as public comment periods go, the PSA public comment period will conclude on July 6th. And then the SSA, the Supplemental Staff Assessment, which will be the document that comes out on the 15th of June which will contain the Cultural Resources Staff Assessment, that will have its own 30 day comment period

which will conclude on July 16th.

So we will have all response to comments by mid-July and then obviously striving to respond to those comments, updating the sections and meeting the August 1 Final Staff Assessment publication goal deadline that we set for ourselves and we continue to adhere to.

HEARING OFFICER CELLI: Thank you.

MR. RATLIFF: Two additional things, if I may.

HEARING OFFICER CELLI: Go ahead.

MR. RATLIFF: First of all, we are aware that Ms. MacDonald has filed a number of comments that we have not responded to but we intend to. Right now our intent is to respond in the FSA.

Secondly, regarding the length of the document and the length of the conditions. The staff is trying to gain a capacity for succinctness and we are going to work on that. This document in some cases is too long, we realize that, and could be shorter. Part of the reason it is not as short, or it is as long as it is I should say, is because of the effort to get it out, it reduced the amount of time that we had for editing. So there's always a crossover between the -- I think the quality of a document and the time in which everything has to be pulled together.

So I think -- we hope to improve in that regard.

The time lines on the FSA don't allow me to promise that we

will. But it also is worth bearing in mind that this is a very large project with a great number of rather complicated issues. It is not a 300 megawatt gas-fired power plant on a 24 acre site in an industrial area that has a fairly restricted number of issues. It has a great number of issues, some of which are rather novel and which we are still trying to get a good understanding of. This increases the complexity of the staff's task and the length of any analysis that it does.

And secondarily, the conditions reflect that as well. And we can improve on those conditions I know and so the point is well-taken. But often the conditions gain complexity by virtue of the fact that the staff is trying to provide conditions in a framework where it is important to avoid deferred mitigation in the process of doing those conditions. And often this adds to the complexity and length and verification procedures for the conditions. And I think you should keep that in mind when you hear the criticism about staff's lengthy document.

HEARING OFFICER CELLI: Thank you for those comments. I just would say, I'm sure the Commissioners will correct me if I'm wrong, but no one really cares about the length so much as it is an accurate reflection of the understanding of the parties or that it accomplishes the goal of the condition as needed.

So I just -- you have got enough standards and 1 2 hoops you have to jump over. I think we shouldn't just 3 invent one that says, you know, here is an artificial 4 designated length that conditions should be or not. I think 5 that like everything else we do it's case-by-case. We 6 presume that that language is in there because it needs to 7 be, and if not the other parties and the applicant will show us otherwise. 8 9 With that I am going to skip over to Jack 10 Prichett. Before I do, Jack, let me just ask. Cindy 11 MacDonald, are you on the phone? 12 (No response.) 13 HEARING OFFICER CELLI: Not yet? Okay. hear from Jack Prichett. 14 15 MS. MacDONALD: Yes I am. Sorry, I had it muted. 16 HEARING OFFICER CELLI: Is this Cindy? 17 MS. MacDONALD: Can you hear me? 18 HEARING OFFICER CELLI: Yes. 19 MS. MacDONALD: Yes, I'm here. 20 HEARING OFFICER CELLI: Thank you for being here. 21 I am going to -- I just wanted to check in and make sure 22 you are here. We are going to hear from Jack Prichett first 23 then we'll come around and get to you next, okay? 24 MS. MacDONALD: Thank you. 25 HEARING OFFICER CELLI: You want to stay in there

and only mute your phone if you have a crying baby or a barking dog in the background or something like that, a helicopter passing overhead.

MS. MacDONALD: Okay, thanks.

HEARING OFFICER CELLI: Thanks. Now, Jack Prichett.

MR. PRICHETT: Yes.

HEARING OFFICER CELLI: Go ahead, you had some comments.

MR. PRICHETT: Yes, one question and one comment. The question is on the notice that I received it said that the Cultural Resources Assessment will be released on or before June 15th. I take it from what Mike Monasmith just said that it probably is going to be June 15th. Is that -- should I count on that date?

HEARING OFFICER CELLI: I see shaking heads in the affirmative over at staff. Go ahead, Mr. Monasmith.

MR. MONASMITH: Yes, that is -- it will be on or before the 15th. We are going to try to get it out earlier that week. We would like to try to release it on Wednesday. But again, that's just a factor of internal review. We are really trying to get it out as soon as possible to increase possible response, comments period, which would then -- the 30 day comment period would accord the release. So that it gives us more time to respond to comments in July, which

will be a very busy month for us. So we are trying to get it out before the 15th but it will be out by the 15th.

MR. PRICHETT: Understand that. I'm just thinking of the 30 day comment period. So if you get it out on the 14th or the 13th then the 30 day clock will start right away for the public comment; is that right?

HEARING OFFICER CELLI: Yes.

MR. PRICHETT: Okay. And my comment is this. As some of you know, I was able to obtain a copy through a non-disclosure agreement of the CH2M Hill report submitted by the applicant on Cultural Resources and mentioning the Old Spanish Trail by name. I have read through that. There is only one mention of the status of the Old Spanish Trail as a National Historic Trail, it's mentioned at one point, and I don't believe there are any mentions of the National Historic Trails Act which established the Old Spanish Trail as a national historic trail. And I based a good part of my case on that law and cited some of the relevant points in my report.

So my comment and my request is that I want the staff in their assessment to be sure and address directly and in particular the issues raised by the fact that it's a National Historic Trail and address specifically the provisions and the applicability of the National Historic Trails Act. So you will find the citation of the Act and

where to find it online and all that in my report. But I want those issues -- I think they must be addressed specifically and not simply ignored as the applicant did. That is my comment.

HEARING OFFICER CELLI: Thank you, Mr. Prichett.

And just to keep things in context now. We are -- this is our, I don't know, fifth or sixth status conference that we have had. And a status conference is not an evidentiary hearing. We are going to probably have evidentiary hearings I think in September was the projected time frame. And we will likely have that somewhere down in the area, the vicinity of Tecopa or where the site will be.

But it will be important at that time that you submit whatever evidence you have, including the report that you submitted now. So even though it has been docketed and people have read it, I'm sure it's going to be commented in the cultural section, they will comment on it, we haven't taken any evidence as yet. So I just wanted to be clear about that.

MR. PRICHETT: All right. Thanks for the clarification.

HEARING OFFICER CELLI: And thank you for your participation. Anything further, Mr. Prichett?

MR. PRICHETT: No, that's it. And I appreciate your letting me get on early. I do have to get to another

meeting but thank you very much.

HEARING OFFICER CELLI: Okay.

MR. HARRIS: Before he leaves -- I guess I don't want to leave it hanging out there that we didn't address that Act. It is in the AFC. It's in one of the accompanying reports and we'd be happy to point out where that information is. I also find myself in sort of the unusual position of defending the work of somebody in a confidential document so I have to kind of stop. But I guess I take issue with the characterization.

HEARING OFFICER CELLI: Noted. And he did acknowledge that there was at least the comment it was acknowledged as a National Historic Trail.

You know, you do raise an important point, though, that I hope we can find a way to resolve well before our prehearing conference, which is confidential documents. We want to do everything we can to limit or not have confidential documents in the record at all. It really is problematical with respect to our public process and making a record that we can have a decision that relies on evidence that is in the record. So I'm sure the parties can discuss that but that's a really, that's a point that bears emphasis.

So that was Mr. Prichett. Let's go to -- is Jon Zellhoefer, are you on the phone, Jon, Mr. Zellhoefer?

(No response.)

HEARING OFFICER CELLI: Okay, not hearing anything from Mr. Zellhoefer let's hear from Ileene Anderson with the Center for Biological Diversity.

MS. ANDERSON: Yes, thank you. I guess my only comment is I too am wading through the PSA right now and obviously haven't made it all the way through that document.

But with regards to the length, as sort of burdensome as it is to go through all those different sections, you know. I want to acknowledge as well that, you know, the analysis and the conditions, they have to be rigorous because this project is basically being developed on relatively intact natural open space. And with that comes the issues of having a thorough review and a recognition of all of the impacts that this project is going to have, not only on biological resources, which of course is what I am most concerned about but also with all of the resources out there in this undeveloped area. So I recognize that it has to be a long PSA.

HEARING OFFICER CELLI: Thank you. Anything further, Ms. Anderson?

MS. ANDERSON: No, I think that's it for right now.

HEARING OFFICER CELLI: Thank you. Let's go to -- we have heard from Mr. Prichett so Cindy MacDonald, you have

the floor, go ahead.

MS. MacDONALD: I'm here. Okay, I am not exactly clear of what I'm supposed to be doing but I believe it is to do a general overview of the status on where we are with the project; is that correct?

HEARING OFFICER CELLI: That's right. This is not, we are not taking evidence. We are having a conference just to sort of see where the parties are and how things are progressing. I want to acknowledge that I did receive your email this morning.

MS. MacDONALD: Okay.

HEARING OFFICER CELLI: The email was sent to me saying that there were certain areas that were not covered in the PSA vis-a-vis your comments, Ms. MacDonald. Were you on the phone when Mr. Monasmith acknowledged, or I think it was Mr. Ratliff said that they acknowledged that there were sections that were not addressed in the PSA, the Preliminary Staff Assessment, that will be addressed in the Final Staff Assessment. Did you hear that part?

MS. MacDONALD: No, I did not. But that's kind of a little different than what's in my email and what I was referring to but thank you for that update. Okay.

HEARING OFFICER CELLI: Okay. Go ahead, though.

MS. MacDONALD: With regards to -- pardon me?

HEARING OFFICER CELLI: Go ahead.

MS. MacDONALD: With regards to where I'm kind of at with the status of the project. I am kind of in the same spot that the CEC staff was that resulted in the publication of the PSA being lengthier than was originally proposed.

And that, if my understanding is correct, one of the reasons why it's posting was delayed so long was because there was a lot of information that CEC staff was asking for from the applicant that had not been provided.

As hopefully people are aware, I also submitted a rather extensive analysis, comments, recommendation to the CEC and staff in early March. I did appreciate the applicant acknowledging that they intend at some point in time to address those issues that I've raised. But as it currently stands the majority of those issues were not addressed either through applicant response in any form or through the PSA, what I have been able to go through, which is most of it.

The email you are referring to specifically states that -- like there's two sections that I am aware of, immediately aware of. In socioeconomics CEC staff said that there were no public comments received, which obviously I had an entire section on. And then in the water section under public comments they -- CEC staff addressed the public comments from the Amargosa Conservancy in Nye County and Inyo County but none were addressed for me.

So with respect to the status of where I am at with the project. I too am kind of on hold waiting for somebody to start addressing the questions that I have had. As it stands there is still a significant amount of issues in all the different departments that I would like to, to at least discuss and try to get some sort of resolution on before I can really go much further.

HEARING OFFICER CELLI: First of all I acknowledge I read your comments, that study that you submitted. That was some time ago now. And I know that all of the parties have received it. Staff has stated that they intend to respond to those comments but it looks like it's not going to make it into print until the FSA comes out. Now let me ask staff. You've got a couple of workshops set up, right? What are the dates on the upcoming workshops?

MR. RATLIFF: The 14th of this month in Pahrump and then on the 27th and 28th in Bishop.

HEARING OFFICER CELLI: That's excellent, in Bishop. It's really great, these are great opportunities for the public to participate and for the parties to work these things out. So, Ms. MacDonald, you're going to have, I hope you're going to be able to make the one at least in Pahrump on the 14th.

MS. MacDONALD: The one in Pahrump is -- I actually -- the original schedule that was being proposed

was the 13th and 14th, a two day workshop was going to be in Pahrump near the site. But apparently it has been revised to the 14th, which I will only be able to make for a few hours. And then the Bishop, apparently they decided Bishop would be the two day workshop. That's too far away for my work schedule.

Additionally, I have attended other workshops and that also has been kind of a source of concern. Now it's good to know that they will be addressed in the Final Staff Assessment. But like one of them I brought up was possible mirrors glowing in the dark at one of the workshops that staff and applicant said they'd address and I didn't see that addressed yet. So I am kind of not really clear what bringing stuff up in workshops, how that gets resolved. Because I ask questions and then people are going to get back to me.

Anyway, setting that aside, I did have a question about the Final Staff Assessment. If it is going to be published approximately August 1st, how long is the public comment or review period on that?

HEARING OFFICER CELLI: Mr. Ratliff, are you going to respond to that?

MR. RATLIFF: Typically there is a 30 day comment period on the, on the FSA.

MS. MacDONALD: Okay. And that will apply to this

one as well?

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HEARING OFFICER CELLI: Sure.

MS. MacDONALD: Okay.

MR. RATLIFF: And I would add that subsequent to that intervenors typically file testimony for the hearing. So it is not -- certainly the 30 day comment period is not the last opportunity for any of the intervenors to make the points they want to make and get responses from them. So I think there will be other opportunities as well.

MS. MacDONALD: Thank you.

11 HEARING OFFICER CELLI: And in that regard,

12 Ms. Mac --

MS. MacDONALD: Thank you.

HEARING OFFICER CELLI: Ms. MacDonald, I know you have been speaking and in communication with Jennifer Jennings. I would encourage you to continue to do that because she is a great resource and she can help you with our process so that you understand what your opportunities are to make a difference and when and how and all of that. So it's a good idea to continue to use, to take advantage of Jennifer Jennings the Public Adviser.

MS. MacDONALD: Okay, thank you.

HEARING OFFICER CELLI: Anything further,

24 Ms. MacDonald?

MS. MacDONALD: Was the status report kind of

projected to be also developed for the middle of this month as consistent with the rest of the status reports, since the Commission requested them?

HEARING OFFICER CELLI: Yes.

MS. MacDONALD: Okay, thank you.

HEARING OFFICER CELLI: Thank you.

MS. MacDONALD: I think that's it.

HEARING OFFICER CELLI: Okay. Ms. Jennings, if you would approach the podium.

MS. JENNINGS: Thank you. I would just like to make a comment because this comes up in a lot of the cases. Is that when someone submits comments as she did, 200 pages of comments and questions in March, I think there needs to be a better explanation or some explanation for why that is not reflected in the Preliminary Staff Assessment that is issued in May. So if you wouldn't mind asking the staff that. I mean, leaving it to the Final Staff Assessment, I think when comments are submitted that early, is inappropriate.

well, I don't want to dig it out because it is so big. But I have the PSA and I remember that there was a table in the PSA. There was sort of a comments table that showed who provided comments and in what subject areas the comments were in, if I have that picture in my mind right. And I

thought it included Cindy MacDonald but maybe,
Mr. Monasmith, you can give us the details on that.

MR. MONASMITH: It definitely did. You know, most of those were filed before she was, you know, filed for and granted intervenor status. Not that that would make a difference but it is somewhat of a subtle difference.

Many of her points -- first of all, Cindy

MacDonald's comments were excellent and we continue to be

impressed by her input and participation and we are by no

means overlooking or understating or undervaluing her input.

For instance, the comments that she provided on the bloom boxes and distributed generation found its way into our alternatives analysis, where we have an extensive appendix that talks about different technologies and distributed generation is one of those. And that was influenced in part by some of the input we received from Cindy. Likewise her comments on water. While she submitted specific questions, those came a little later in the proceeding as opposed to those from Amargosa Conservancy and others who we had gone through and responded to.

But I just want to make sure that it is clearly understood that there will be an accounting for all of Cindy's comments and we don't want to diminish those at all. Workshop comments as well. The one on the glowing mirrors, I thought we had resolved that during the workshop.

But, again, we will continue to work with her and any other specifics that she has. And if her level of participation at one of the PSA workshops later this month is not able to happen we will obviously work with her on a one-to-one basis to make sure through the Public Adviser that her comments are being addressed and will find their way into the FSA.

HEARING OFFICER CELLI: That's great. I do appreciate that.

MS. MacDONALD: Um.

HEARING OFFICER CELLI: Go ahead, Ms. MacDonald.

MS. MacDONALD: Yeah, Mike, I wanted to say thank you. And thank you, Jennifer, for that because this has been a little frustrating. And I also understand my position. I am aware of the volume of information that I have presenting to the CEC, the amount of questions. I am trying to not limit it to just that. For example, I also had submitted the air quality things to the Great Basin Unified Pollution Control District. So, you know, I am also trying to use other avenues to address my questions, increase my understanding, resolve issues.

But the point I am trying to make here is, due to the volume of questions, you know, I don't want to place other people, like in these workshops, in a compromising position where they too have questions and issues that they

are waiting to possibly explore. And then with the volume of my issues, basically hogging up all the time, taking up all the time from everybody else.

So I would like to see some sort of resolution where at least to some -- to a majority of an extent that the volume of this information can be addressed by somebody, somewhere, without cutting into other people's public opportunities or comment periods as well. I just wanted that noted, okay.

HEARING OFFICER CELLI: And that's very kind of you and appreciate your taking other people into consideration. But you're a party. As an intervenor you're a party. And you have rights and you have every right to take up as much time as you need to, to make sure that all of your questions are answered and to be satisfied with the kinds of results that you have.

Because it is really on you, Ms. MacDonald, to make sure that all of these issues that you raise get to the Committee. And so, you know, you don't get points for being polite. You get points for getting your issues across and communicating them. So I just want to encourage you that no one is going to look down at you for doing the things you need to in order to, you know, make the case that you need to make.

MS. MacDONALD: Okay, thank you for that. So is

there any alternative besides just the public workshops in Bishop and Pahrump that I could utilize?

HEARING OFFICER CELLI: You bet. There is going to be an evidentiary hearing and that's when you are going to be putting your evidence on.

MS. MacDONALD: Okay.

HEARING OFFICER CELLI: That's when you get to cross-examine other people's witnesses and you can, you know, try to impeach their evidence if you think you can.

So that is essentially like a court proceeding. We have --

MS. MacDONALD: And that's where I can get questions answered?

HEARING OFFICER CELLI: Well, your questions probably -- your first point should be Jennifer Jennings.

MS. MacDONALD: Okay.

HEARING OFFICER CELLI: But mostly what I was trying to say is that the evidentiary hearing is your opportunity to get all of your evidence in. So that's --

MS. MacDONALD: Okay, thank you.

HEARING OFFICER CELLI: That's coming up. But I would use Jennifer as your starting point. And you should be in communication with staff and applicant as needed, other parties.

MS. MacDONALD: All right. Well how do I get evidence if I can't get questions or information? If I

can't get a response from the questions that I've asked or information pertaining to the issues I've raised. How do I get that evidence?

HEARING OFFICER CELLI: There again I am going to refer you to Jennifer Jennings on that. She is going to -- there's a lot of ways to skin that cat. And she can help you --

MS. MacDONALD: Okay, thank you, I'll leave it at that.

HEARING OFFICER CELLI: So anything further from Ms. MacDonald?

MS. MacDONALD: No, that'll do, thank you so much.

HEARING OFFICER CELLI: Thank you. Okay, anything

further from -- there's going to be some questions from the

podium but I just wanted to know if there was anything from

the applicant or staff? Go ahead.

MR. HARRIS: Yeah, if I could, a couple things.

On this issue of comments and responses. I guess I want to remind folks or maybe let folks know that this is a Commission certified regulatory program, it's not CEQA per se. And so while people are used to analogies of 30 day comments here, 45 day comments there. What governs a comment period in this case are your siting regulations. It's not the CEQA provisions, it's your siting regulations. And the Commission's practice is to allow 30 days; I think

that's the right practice. But I guess I want to remind people that it is a practice. CEQA requires responses to comments on draft documents. CEQA does not require predocument submittal comment response. I think the staff has really gone above and beyond in responding to anything to date because this is the first document in the setting.

And don't misunderstand me, I think it's good to get these issues on the table as soon as possible, get them resolved. And they're almost always communication issues so I don't want to discourage that kind of thing. But I guess I want to caution the Commissioners in particular about the possibility of setting up a circumstance where you substantially delay documents to do something you don't even do in the traditional CEQA process, which is pre-answer responses to comments. I think that's an important thing to keep in mind. And I really don't want it to become an endrun on discovery. Discovery is closed in this proceeding and it shouldn't become that.

And I guess I want to say one more thing about burdens of proof. Applicant bears the burden of proof, no doubt. That's our obligation. We have to provide sufficient information to satisfy the Commission's siting requirements and show you that we have a project that you can approve. That's the case with our affirmative case, we have to let you know what our case is.

In terms of alternatives to our projects. We have got to show you that they are less-than-significant, we don't need the alternatives. If somebody wants to disagree with us on that point and put forth an alternative like a new road, for example, that party bears the burden of proof. And that is in Section 1723.5 of the Commission's regulations.

I bring it up not so much to lecture on the law, which is what it sounds like and I apologize, but to point out that there isn't an applicant burden to respond to each and every comment that comes along about possible alternatives that people might think up. They have got the obligation, the burden of proof on those things and if they want to provide that, that's fine.

But I do think what sets me on the edge of my chair is the suggestion that we are somehow not answering questions that we are obligated to respond to. We don't bear the burden of proof on those issues.

HEARING OFFICER CELLI: Thank you. I wanted to kind of go back to the PSA. There's discussion regarding Biological Resources, what isn't complete in the PSA right now. It looks like there's additions to Desert Kit Fox, American Badger, Burrowing Owl. Verification of state waters and desert wash plant communities. These are typically -- I can't ever remember having a Biological

Resources section that was really ever ready to go by the time we got to evidentiary hearings. Because there's always, there seem to be these subsequent surveys that have to come in. The Committee was --

And also I received the Socioeconomic and Fiscal Impacts. This is staff's document, right? I left you a message, Mr. Monasmith, because there was one section that said something like 34 cents and I have the feeling it meant to be .43 million dollars or something like that. So I'm hoping that that can get cleared up.

What was remarkable in your status conference, though, was the Land Use comments and we have Ms. Crom here that we'll hear from in a moment. But there were a couple of things. One was the comment that Cindy MacDonald made that they -- I took it that the setbacks were inadequate or that there was some impact having to do with land use and Tecopa Road.

And then you mentioned in your status conference that there were unresolved issues with regard to the County of Inyo. And the Committee is very interested in knowing what those issues are and what progress is being made. Has there been an amendment to the general plan yet by the applicant? Those kinds of questions we're interested to know what kind of progress has been made in this regard. So let's hear from Ms. Crom, please.

MS. CROM: Yeah, I was going to say it might be best to start with me.

With respect to the general plan amendment. We do not have an application as of today for a general plan amendment or a zoning change. However, I will say that counsel for BrightSource and myself have been working on the reimbursement agreement and I believe we are about 99.9 percent there and I would anticipate that we will have that application and the agreement signed by probably week's end or the beginning of next week. And I am looking at Clay because I think he would be able to verify that. So we would anticipate that the request for the general plan amendment and the zoning change will be started soon.

The other unresolved areas most likely fall into the socioeconomic, what we would call Title 21 issues. We have received, although the socioeconomic report that you just referenced has not be docketed yet. So I wanted to not share it and get comments on it until we know that it's official. But we are --

HEARING OFFICER CELLI: I actually have it as docketed.

MS. CROM: Yeah. It hasn't posted.

HEARING OFFICER CELLI: Oh, okay.

MS. CROM: And for that reason I haven't been able to send it to my experts. But we are, like everyone else,

going through the PSA and that report and we will be commenting on both of those.

The setback requirements. I know that Josh Hart is on the phone. The setback requirements obviously differ depending upon what zone, what the zoning is for that particular area. It's 50 feet under the current zoning, 25 feet, I believe, under what we anticipate will be the requested zoning in the application. However, there are some concerns about right-of-ways that were raised by Mr. Wilson, our Interim Public Works Director and then some questions that were raised on glint and glare with respect to passing motorists.

So I don't know if that's what we are discussing but I think that was the basis for the County's request in its letter for the setbacks. And Josh, you might want to jump in if you have anything to add.

MR. HART: Unless there are any questions I think that provides a good overview.

HEARING OFFICER CELLI: So does the County have a position right now with regard to what they would use for purposes of reviewing the general plan amendment if one comes through? What documents that they would rely on and what the position of the County is yet?

MS. CROM: Well, I believe that where we are is we believe that we can rely on the Presiding Member's Decision

or recommendation for purposes of the environmental document to process the general plan amendment. I know that at one point Jeff had suggested possibly relying on the FSA.

Because we do not have an application in hand,

I'll be honest with you, we haven't had any additional

discussions as to what environmental document we would be

relying on. And once we have that application I'll be happy

to sit down with the applicant's counsel and my boss and

Josh and decide exactly where in the processing phase we

would be and what documents we would rely on.

HEARING OFFICER CELLI: I know that several status conferences ago I asked Mr. Ratliff, how are we going to resolve this problem of the land use issue. And we talked about, is it even possible to put out an FSA or even a PMPD without, you know, some resolution of the question at the county level and staff said there was no precedent for that. Really, my sense was that the options are either the County can find a way to make it work, otherwise the Committee will probably be in a position of being requested to find an override. And then we're curious to know how the County is about that.

MS. CROM: Well obviously an override is not something that we want and does not appeal to our senses. However, I think that given that we will be, we anticipate having an application soon, and where we are with respect to

the PSA and the anticipated FSA, that we will have the documents that we will be able to use to process it, process the request.

Now of course we are acting under CEQA so we are going to have other time lines that we have to comply with, notice requirements and public hearings. Which is why we sent the applicant the letter that we did, I believe in February, setting out the time frame. And obviously because we don't have a general plan application at this point we are somewhat behind on processing it. But obviously the County will process it as quickly as it can.

HEARING OFFICER CELLI: But we still have this chicken and the egg problem of dealing with a PMPD, writing a PMPD as if the PMPD were already written, kind of problem.

MS. CROM: And it may be that we can agree that we can, we can process it off of the FSA. Again, that's a discussion that I think we need to have and I have had some brief discussions with Mr. Ratliff on that. But again, I'll be honest with you, I wasn't going to devote a lot of my resources to it until I actually had an application to process.

HEARING OFFICER CELLI: Understood. Mr. Ratliff, did you have anything to add?

MR. RATLIFF: Well, obviously the County has to have a CEQA document to take the actions necessary to

conform their general plan and zoning. The CEQA document that the County can rely on is the document or documents referred to by the Energy Commission under 25519(c). In our view it would be appropriate to use either the FSA or the PMPD or both to take this action.

And those governments that have in the past used those documents to conform their ordinance, I think in my recollection, always did so after the PMPD came out. So the PMPD may have to reach the same kinds of conclusions that the FSA would about conformity, with the realization that very late in the process there would be a change in the general plan and zoning that would make the project, bring the project into conformity with local, local law.

HEARING OFFICER CELLI: So really the FSA is going to have to be written in a way that enables the Committee to be able to address each of those issues as would the Board of Supervisors.

MR. RATLIFF: I think the FSA is going to say, obviously it has to say, as does the PSA, that the project does not conform with local land use requirements. The FSA will say that as well. Unless the County should act only on the FSA and not on the PMPD as they suggested they might prefer, the PMPD would presumably reach the same conclusion because there is an obvious lack of conformity at the current moment. But that would not prevent the final

decision from reflecting conformity and avoid and override.

HEARING OFFICER CELLI: All right. Mr. Harris, did you have a comment on Land Use?

MR. JENSEN: This is Clay with BrightSource; just make a few comments. And Ms. Crom characterized the agreement process that paves the way for the application.

We have actually been working back and forth for quite a while on the terms of that agreement. And simply calling it a reimbursement agreement, which is the title of the document, is an understatement. There's a lot that goes into the formation of the thought process and how this might work that has to go into that because it covers indemnification as well, which you can imagine with the overlap between the processes, fully grasping on both sides what that might look like.

So I think, and Ms. Crom has stated correctly, that we refrained from finalizing the exact method by which we'll go about doing this until the application was in at the request of Inyo County. Frankly, they told us that they didn't want to talk about it until the application was in their hands so they had something to react to. So we have got the application filled out, we are 99.9 percent there in agreement on the reimbursement indemnification agreement.

And I think that by working through this agreement for the last month or two we have come to a more common

ground on how this relationship might work out. That's our opinion. But we feel, we have a sense of how the parties will work together under the agreement that will help pave the way for the process.

So our goal is to have that application in as quickly as possible. Hopefully the next week or two. Once that goes in we'll immediately follow it up with a very lengthy process discussion where we'll come back with a joint recommendation I think that we can, we can agree cooperatively on how best to process the applications.

HEARING OFFICER CELLI: I appreciate that. And I am hoping that, I am sure that the County of Inyo will be at the workshops that are going to be up in Bishop. And it would certainly great at our next status conference, which is in July, I forgot what date, I'll look it up, the 9th of July, it would be great if we could have some movement in this area.

This is clearly going to be an issue that concerns the Committee greatly and we would like to see the parties create as much resolution in this area as they can so that the Committee isn't hanging out there trying to figure out what the parties really want to do. We'd rather have an unequivocal statement from the parties as to a resolution of the problem.

The only other thing I have left in my notes, I

have Transmission Systems Engineering that appears to be -you know, we're at the mercy of CAISO, I think, in that
regard. There is nothing new, right? And Mr. Monasmith is
shaking his head that that's the case.

And Visual there is nothing really new there.

So with that is there anything further from applicant before we get to public comment?

MR. JENSEN: I just realized that we have gotten to where we are without us thanking staff for the issuance of the PSA. A tremendous volume of work and amount of information contained in the report and we appreciate the staff's effort in getting that out early. Unfortunately that meant most of us worked through the holiday weekend reviewing it because we couldn't put it down. But that's good, that's a good thing to do, some good reading. So we appreciate that. As we go through it we develop questions but we appreciate you getting it out.

MR. HARRIS: You say you couldn't put it down or couldn't pick it up?

(Laughter.)

HEARING OFFICER CELLI: Anything further, staff?

MR. MONASMITH: We wanted to -- we'll obviously

report back to the Committee at the status conference in

July on the PSA workshops and we hope -- we know we'll get a

lot of work completed by then. I don't see any more status

reports that the Committee is expecting from parties. Is that correct? Are those through now until or do you still want monthly status reports?

HEARING OFFICER CELLI: Really I don't think that we need them, only because up until now it's all about when is the PSA going to come out. And the fact that the PSA is now out, the parties have something to talk about in workshops. You actually have some clay to work with there. I think that you are going to, I don't think it's necessary. And if it is later maybe we would put out such an order.

But I think that if it appears that there is a delay in the FSA the Committee is going to want to know that as early as possible. So that really is the only thing that I think merits a status report at this time.

ASSOCIATE MEMBER PETERMAN: Hearing Officer, I'll note that I believe Ms. MacDonald inquired about the June status report. So you might want to refer to if that one is going to happen or if not make it clear to her as to why.

HEARING OFFICER CELLI: Yeah, thanks for raising that, Commissioner Peterman.

Ms. MacDonald, I wanted to, I acknowledge that you did ask about a status report. We did not notice, it's probably my oversight, but it is not in the notice. And so I don't think a status report is necessary for the next one or two status reports. We'll know in July how we are doing

and whether we are going to make the August 1st date.

I recall that there was an August date that I was hoping, if everyone goes well and an FSA publishes, that we would probably cancel. Because once the FSA comes out I don't know that there would be a need for a status report. The next thing that is going to happen after that is a prehearing conference, which is the daddy of all status conferences.

MR. MONASMITH: We currently have an August 16th status conference that's noticed but we have no status reports in July -- June, July or August at this point.

HEARING OFFICER CELLI: Right. So is that clear,
Ms. MacDonald?

MS. MacDONALD: So essentially -- pardon me?

HEARING OFFICER CELLI: What I'm saying is there is no need for a status conference between now and August.

MS. MacDONALD: Okay.

HEARING OFFICER CELLI: I'm sorry, not a status conference, strike that.

MS. MacDONALD: Or status reports.

HEARING OFFICER CELLI: A status report.

MS. MacDONALD: So I have no, I have no, no avenue to express the issues that remain unresolved for me now.

HEARING OFFICER CELLI: No, that's not true.

MS. MacDONALD: I had an avenue at the start of

this conference and now I have no avenue.

HEARING OFFICER CELLI: No, that's --

MS. MacDONALD: Am I understanding that correctly?

HEARING OFFICER CELLI: No, you are not

understanding it correctly, let me clarify that for you. We are going to have at least one more status conference and so you will be able to be on the phone or in person and communicate with the Committee that way.

MS. MacDONALD: Okay.

HEARING OFFICER CELLI: And we are going to have -- so we'll have the status conferences that are currently scheduled and noticed but we do not need to have status reports beforehand, we can gather that information at the status conference itself verbally.

MS. MacDONALD: Okay.

HEARING OFFICER CELLI: So that's --

MS. MacDONALD: All right. So like now, now would be a good time to start bringing up some of the issues that's in the Preliminary Staff Assessment. Did I understand that correctly?

HEARING OFFICER CELLI: Yes. So I did receive your status report. We read it and acknowledged it. But what is going to happen is we are going to have a status conference in July and there would not be a --

MS. MacDONALD: Right.

HEARING OFFICER CELLI: -- need for a status report before that. And then at that time you can raise the issues that you need to.

MS. MacDONALD: All right. But this is a status conference now. Was the May submission that wasn't posted, was that to be exclusively for this one? Because I do believe I had stated in there that I was going to refrain from all the additional concerns I had until I reviewed the PSA.

HEARING OFFICER CELLI: Okay.

MS. MacDONALD: So -- but the PSA -- at the time I submitted the May one -- I guess my first question is, was the May one exclusive to prior the PSA publication? I mean, was it supposed to deal with the PSA information or was it not?

MR. MONASMITH: Hearing Officer Celli, could I make a suggestion, please, on this regard because I feel partly responsible for many of Cindy's comments that may have come in. I wanted to make sure that they were accounted for.

Perhaps the Public Adviser, myself and Cindy could work through all the comments that she has provided to date, I think there' five separate letters, all of which were docketed. So we make sure that all those comments are accounted for. Then she would be able to file her PSA

comments for all those except for Cultural Resources on July 6th, and she would file her PSA comments with us, and then Cultural Resources would be on July 16th. And that would be her avenue in which to file her comments.

And we can make sure that everything that she has filed prior to the PSA's publication as well as questions that she would have or comments or suggestions on the PSA itself are embodied in one document that she files on the 6th of July. And I would work with Jennifer in the Public Adviser's Office to make sure that that is taken care of so she doesn't feel that her issues are getting lost between the cracks.

HEARING OFFICER CELLI: Thank you for that.

MS. MacDONALD: Thank you. At least I was presented -- thank you for presenting at least one option because I do have issues.

HEARING OFFICER CELLI: That's great. And also, again, you will be able to meet face to face with Mr. Monasmith on the 14th of June and you can talk then,

MS. MacDONALD: Okay, thank you. I appreciate resolving that.

23 HEARING OFFICER CELLI: Thank you.

So with that, is Jon Zellhoefer on the line?

25 Mr. Zellhoefer? No?

Ms. MacDonald.

(No response.)

HEARING OFFICER CELLI: Okay. Is there anything, Commissioner Douglas?

PRESIDING MEMBER DOUGLAS: No.

HEARING OFFICER CELLI: Commissioner Peterman?

PRESIDING MEMBER PETERMAN: No.

HEARING OFFICER CELLI: Okay. At this time then we are going to take public comment. I am looking around the room, there is nobody today, Ms. Jennings, that appears to be a member of the public or is there? Do we have someone who wishes to make a comment?

MS. JENNINGS: He does not wish to make a comment.

Mr. Ross representing the Southern Inyo Fire Protection

District was intending to arrive. He was driving from

Fresno and I think he's been unavoidably delayed.

HEARING OFFICER CELLI: That's too bad. It's raining here, I can only imagine what's going on in the --

MS. JENNINGS: But otherwise I don't think anyone wants to make a public comment in the room.

HEARING OFFICER CELLI: Okay, thank you,

Ms. Jennings. Is there anyone on the telephone who would

like to make a public comment at this time? Go ahead and

speak up. I have Mr. Taylor, Mike Conway, Joshua Hart and

Jay Leyva. These are all people associated, I think, with

either the applicant or staff. And Eric Knight with staff.

Cindy MacDonald. I have one, two, three, four -- I have Eileen Anderson is still on the line. Is there anyone else, a member of the public who would like to make a comment at this time?

(No response.)

HEARING OFFICER CELLI: Okay, hearing none then I am going to hand the status conference back to Commissioner Douglas for adjournment.

PRESIDING MEMBER DOUGLAS: I would like to just end this by thanking all the parties, particularly staff for getting the PSA out on time. Even though, obviously, it didn't contain the cultural section it's still a major step forward and so I really appreciate it.

And with that, we look forward to our next meeting and we are adjourned.

(The Status Conference adjourned at 2:08 p.m.)

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CERTIFICATE OF REPORTER

I, JOHN COTA, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Status Conference; that it was thereafter transcribed.

I further certify that I am not of counsel or attorney for any of the parties to said conference or in any way interested in the outcome of said conference.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of June, 2012.

JOHN	COTA	

CERTIFICATE OF TRANSCRIBER

I certify that the foregoing is a correct transcript, to the best of my ability, from the electronic sound recording of the proceedings in the above-entitled matter.

		June 11, 2012
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